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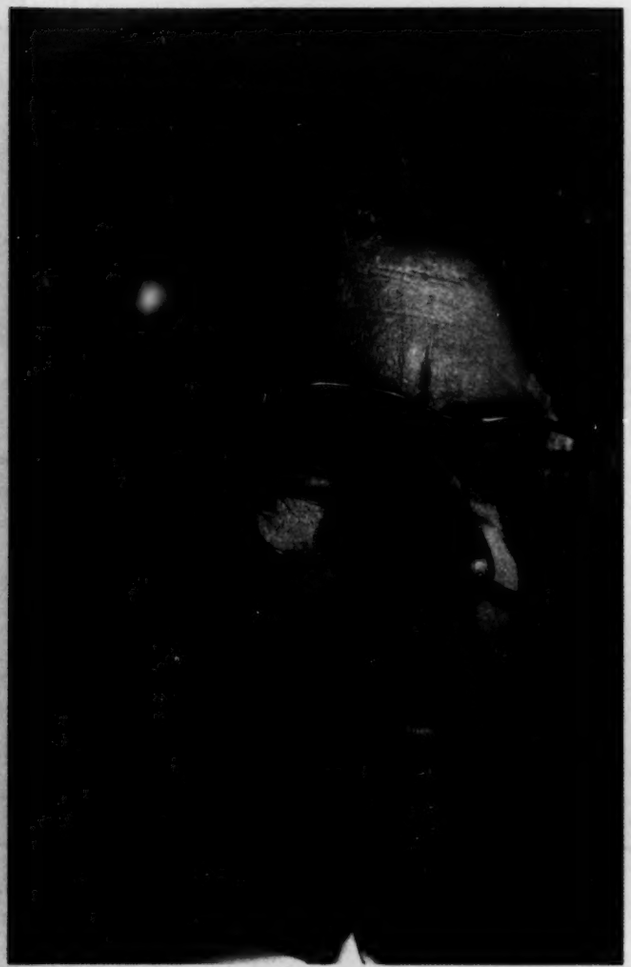
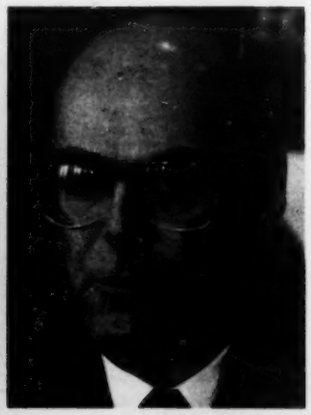
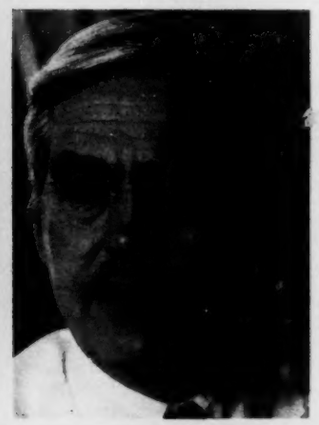
Greenwald gone, Iacocca may keep job





AUTOMOTIVE NEWS/JOE WILSDON

After Vice Chairman Gerald Greenwald, left, quit Chrysler last week, his duties were split between Chief Financial Officer Robert S. "Steve" Miller Jr., above, and President Robert Lutz, below.



Chrysler jolted as heir quits

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Gerald Greenwald's stunning decision to vacate the fifth floor of Chrysler Corp.'s headquarters may keep Chairman Lee Iacocca at the company's helm beyond 1991.

Iacocca, who turns 66 in October, now leads a troubled company that has no anointed successor to take over when his contract expires at the end of 1991.

Given Iacocca's age and the company's declining circumstances, there is little margin for error in lining up the team that will carry Chrysler into the 21st century.

It was not clear last week who will be the lead player in the new succession drama.

Vice Chairman Greenwald, 54, resigned to lead a proposed buyout of the United Airlines parent, UAL Corp., by airline unions. His eventual elevation to the Chrysler chairmanship had been undisputed by virtue of his sharing the Office of the Chairman with Iacocca.

One Chrysler executive had nicknamed Greenwald "the vacuum cleaner" for his awesome talent at cleaning up the details behind the swashbuckling Iacocca.

To quell rampant speculation about the company's future among company employees and Wall Street observers, Iacocca disbanded the Office of the Chairman and split up Greenwald's duties the day after Greenwald said he was leaving.

- Greenwald's title and some of his responsibilities went to Robert S. "Steve" Miller Jr., who had been executive vice president of finance and chief financial officer.

Miller takes over Greenwald's supervision of Chrysler Financial Corp., Chrysler Technologies and International Operations. He will continue to supervise all of Chrysler's financial activities.

- Robert Lutz, 58, president of Chrysler Motors, gets Greenwald's responsibility for Acustar Inc., Chrysler's parts manufacturing

see CHRYSLER, page 46

More on Chrysler

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- Dealer reaction mixed
- When will Iacocca go?
- Other recent departures
- Greenwald's successes

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- President Bob Lutz discusses Chrysler's platform and product plans for the 1990s

Volvo, Renault seek truck savings

Mack, Volvo GM must grow closer in U.S., Zetterberg says

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

GOTHENBURG, Sweden — AB Volvo and Regie Nationale des Usines Renault S.A. will begin searching for ways to bring together their competing U.S. truck subsidiaries, Volvo GM Heavy Truck Corp. and Mack Trucks Inc.

With Mack losing money and Volvo GM out to improve its profits, new AB Volvo President Christer Zetterberg said in an interview that the two partners will have to find synergies in the United States.

So far, the impact of the Renault-Volvo link on Mack and Volvo GM has been unclear, with both U.S. parties denying the possibility of a merger or sharing of products and dealer bodies.

"I haven't a clear picture yet, but we have to look into this and see what can be done," said Zetterberg, who has been officially on the job for just over a month.

He said the new cross-ownership alliance between Renault and Volvo will have little or no affect on Volvo's U.S. car business.

"But on the truck side, we have to look into . . . our operation with Volvo WhiteGMC and the Mack operation, which is losing money presently," he said.

Volvo owns 76 percent of Volvo GM Heavy Truck Corp., and Renault Vehicules Industriels holds a controlling 44.6 percent stake in Mack.

Under the cross-equity partner-

see VOLVO, page 6

Cost cuts will cushion bad 3rd quarter, Lutz says

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — If Chrysler Corp.'s cost-cutting plan were a ballgame, the company would be leading off third base. Chrysler Motors President Robert Lutz said the company is nearing its target of reducing costs $1 billion by year end.

But before then comes a rocky third quarter when Chrysler loses production of 60,000 minivans — one of the company's most profitable vehicles.

"We should have a decent second quarter," Lutz said in an interview conducted last week before Gerald Greenwald stepped down.

"Where people are underestimating our earnings power is that early on they weren't taking our $1 billion cost reduction program seriously. But this is real. We can now absorb quite a bit more in terms of marketing costs or even reduced revenue and still do better than break even."

But third-quarter earnings will tell a different story. "Third quarter is going to be a bath because we are not going to be shipping 60,000 minivans," he said. "There is no denying the third quarter is going to be a shock to us and somewhat surprising to the outside world. But that is the reality."

Chrysler will lose 60,000 units due to model changeover as the 1991 minivans are being restyled. The Windsor, Ontario, assembly plant will be down in July and St. Louis No. 2 will be down in August.

Lutz indicated Chrysler expects to reopen negotiations with the UAW to launch a three-crew, two-shift operation at the St. Louis No. 2 assembly plant. The change would allow

see LUTZ, page 47

Capri leads L-M drive for small-car buyers

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

TEMPE, Ariz. — The introductions of the Tracer and the Capri this summer represent a crucial step in Lincoln-Mercury Division's campaign to draw small-car buyers into its showrooms.

Even L-M General Manager Ross Roberts admits that the division has not done well in attracting small-car buyers. The previous Mercury Tracer received a lukewarm reception when it arrived in 1987, and the German-built Merkur XR4Ti flopped and was dropped in 1989.

see CAPRI, page 45

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Selling safety:
In 1956, Ford Motor Co. tried to sell safety and flopped badly. But today, almost every manufacturer is touting the safety of its cars, and customers are starting to listen and buy. Page 3.

Dealers seek refund as service firms die

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

CONTRACT Casualties

New-car dealers in Washington state hope to recover an estimated $10.7 million in unearned premiums from the Washington Insurance Guaranty Association.

The imbroglio began two years ago when an insurance carrier went under, taking an extended service contract administrator down with it.

Northwest Underwriters Corp., a Seattle-based administrator of extended-service contracts, ceased operations in 1988. New-car dealers in five states had sold about 160,000 extended-service contracts administered by Northwest and insured by Consumers Indemnity Corp., also based in Seattle. The state insurance commissioner placed Consumers Indemnity in receivership in 1988.

More than 150 Washington dealers banded together, claiming the Washington Insurance Guaranty Association owed them the amount still remaining on the extended-service contracts they sold.

The association — made up of insurance companies operating in the state — protects consumers by paying claims for defunct insurers.

Although the guaranty association agrees dealers are owed money, a dispute followed on which of two complex formulas to use for the payout.

Dealers prevailed last October in a Washington Superior Court. But the guaranty association appealed the decision to the Washington Court of Appeals.

Dealers countered by asking the state Supreme Court to hear the case instead. The Supreme Court accepted the case last month but failed to set a trial date, according to Howard Sheridan, owner of Good Chevrolet in Renton, Wash.

Sheridan says some dealers stand to receive as much as $300,000. His dealership could recover about $90,000. "Losses at this dealership still amount to about $100,000, but that's better than losing $300,000," he says.

But Sheridan says another court hearing won't be necessary if dealers and the guaranty association can reach a settlement beforehand. The dealers want $10.7 million, down from estimated losses of $14 million, and the guaranty association has offered $9 million.

"Right now, we're only $1.7 million apart," Sheridan says.

For Washington auto dealers and others, the collapse of Consumers

see COLLAPSE, page 45

AUTOMOTIVE NEWS/JOE WILKENS

Linda Barber Roach and her husband just bought their 12th Volvo in eight years, a 1987 Volvo GLE. She says Volvo is the only car that she'll put Derek, 10, and Natalie, 5, in.

CHANGING TASTES

Safety, once a pariah, gains favor in ads and with buyers

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

SELLING SAFETY

When John Livingstone brought home his new white 1988 Chrysler LeBaron convertible two years ago, his wife, Liz, saw the air bag mounted on its steering wheel and thought "big deal — it came with the car."

His daughter, Kim, then 16, gave the air bag a cursory glance, looked at the car and thought "cool."

The importance of the air bag did not really hit home for the Livingstones until last August.

That's when Kim Livingstone had an accident and the air bag coupled with the seat belt saved her life. The car was totaled, but Kim walked away without a scratch.

"You don't really appreciate it until you've been in an accident," says Kim, who graduated from high school last week. "When I buy a car, it will have an air bag."

Added Kim's mom: "We were so grateful we wanted to thank somebody. So my husband wrote a letter to Lee Iacocca."

The result was a series of Chrysler Corp. television commercials, many featuring survivors of crashes in Chrysler vehicles, all touting the importance of air bags in automobiles. One starred John Livingstone and his daughter Kim.

The commercials signal a new era of marketing that uses safety as a selling tool.

Until recently, most manufacturers believed that "safety doesn't sell."

It was a notion born in 1956 when Chevrolet, which was promoting racing, speed and performance, solidly outsold Ford, which was touting seat belts, padded interiors and impact-absorbing steering wheels. That year Chevrolet outregistered Ford 1,565,399 cars to 1,375,343.

With that memory etched deeply into their minds, most manufacturers, especially the Big 3, omitted safety features from their advertising and marketing campaigns. Instead, they focused on attributes such as styling, handling and performance.

But in the mid 1980s that began to change. Fueled by government standards that required all vehicles to meet certain safety standards, consumers began to demand safer vehicles.

Now, features such as anti-lock brakes, driver-side air bags and collapsible steering columns vie with luxurious leather seats, deluxe stereo systems and electronic

see SAFETY, page 24

Air bag kudos

DENVER — Air bags are proving a selling point for some Colorado dealers, while others say their popularity may balloon with more crash success stories.

Air bags, predicts Greg Youngstrom of Ralph Schomp Oldsmobile-Honda-BMW, Littleton, will become more common, "like anti-skid brakes."

There is "no question that air bags, in conjunction with three-point seat belts, are the best defense in a crash against serious injury and death," says John Conger, director of the Colorado Division of Highway Safety. About 2 percent of the cars in Colorado now have them.

The 1990 model year was the first year that federal regulators required passive restraints, meaning air bags or automatic seat belts, in every new car sold.

"We're going to be seeing . . . people not only surviving crashes, but surviving without any significant injury," says Chuck Hurley, a spokesman for the Insurance Institute for Highway Safety.

— The Associated Press

INFLUENCE: *Dealers find lobbying tough*

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — California auto dealer Byron Rose brought his 16-year-son to his first auto dealers' convention, but not for inauguration into the world of business expense account adventures.

Jason Rose, who could one day join the family Toyota business, got a hands-on lesson in working the political system. He tagged along for some good, old-fashioned lobbying — something the elder Rose realizes is necessary for any dealer who wants to stay in business.

Nine hundred other dealers who attended the three-day annual Washington conference of the American International Automobile Dealers Association apparently agreed. After being properly briefed by association leaders and hearing from congressional leaders, import executives and a political humorist or two, hundreds of dealers descended on Capitol Hill May 22.

Their inadvertent timing was perfect. The following day, the House of Representatives was scheduled to vote on the clean-air bill and an amendment that would mandate that one million alternative-fueled cars be sold in the nine smoggiest cities. San Diego, home of the Rose Toyota store, is one of those ozone-choked cities.

Decked in casual pants, fashionable black and white blazers and rubber-soled shoes rather than

see LOBBYING, page 22

New Mercedes S-class line due in U.S. in '91

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

STUTTGART, West Germany — Mercedes-Benz AG will launch its new S-class model in the United States in the fall of 1991, less than a year after the sedan's debut at the Geneva show next March.

It will be only the first of several new models Mercedes will send to the United States during the next five years as it seeks to regain new-product momentum from arch-rival BMW AG.

"By 1995, we will have introduced a series of products and features beginning in the fall of 1991 with the new S class," said Eberhard Herzog, Mercedes-Benz management board member in charge of passenger-car sales.

Herzog confirmed that the S class will debut at Geneva, though he said it is not certain whether the V-12 600SEL flagship will be shown simultaneously. Other sources say the 6.0-liter, 400-horsepower 600SEL will bow later in the year.

HIDDEN IMAGE/HANS G. LEHMANN

The new S-class Mercedes is due in the United States in the fall of 1991. Known as the W140, it is larger than the current S-class.

The new S class should bolster Mercedes in the U.S. market, where sales have turned upward this year.

"We have approximately 52 percent of the high-luxury segment over $50,000 with our S class, and with the new S class in the 1992 model year, we are aiming at increasing this figure," said Herzog.

Mercedes' U.S. sales rose 4 percent to 24,030 through April after slipping 9 percent to 75,714 in 1989. Said Herzog: "We expect to keep within the planned sales volumes for this year — the same as last year in the face of very stiff competition."

Mercedes' sales peak in the United States was 99,314 in 1986. "I would not like to say that we will finally come back to 100,000," Herzog said.

Though the weak dollar is punishing European exporters, Herzog said Mercedes will not limit United

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Ford dealers applaud power boost for '91, '92 cars

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co. will respond to dealer requests for more power in its Ford Tempo and Mercury Topaz by offering a 3.0-liter V-6 engine in the 1992 model year.

Ford Division National Dealer Council members, who drove the cars, also were given an opportunity to drive several 1991 models. They included a 1991 Mustang with the twin-spark-plug, 2.3-liter four-cylinder engine; a Thunderbird equipped with a 5.0-liter V-8; and a Taurus equipped with a four-speed electronically controled automatic overdrive transmission.

Council members drove the cars at Ford's Dearborn, Mich., test track.

Mark Smith, president of the Ford National Dealer Council, called the V-6-powered Tempo "a smooth-running car with power." Smith owns Dick Smith Ford in Raytown, Mo.

> "There has been a lot of concern about Ford's powertrains, but last week made us feel better about what's on the horizon."
>
> **Mark Smith**
> Ford National Dealer Council president

About 50,000 V-6 engines will be produced for the 1992 Tempo/Topaz at Ford's Lima, Ohio, engine plant, sources say. Job One for the V-6 engine will be June 17, 1991.

Ford currently offers a 2.3-liter, four-cylinder engine in the Tempo and Topaz. The V-6 will help Ford compete more effectively against rivals already offering a V-6. For example, Toyota offers a 2.5-liter V-6 in its Camry; Chrysler offers a 3.0-liter V-6 in the Acclaim, Spirit and LeBaron; and Chevrolet offers a V-6 in the Corsica and Beretta.

Ford will offer the modular six-cylinder engine and the four-cylinder Zeta engine in the next-generation Tempo and Topaz (codenamed CDW27), which is due in the mid-1990s.

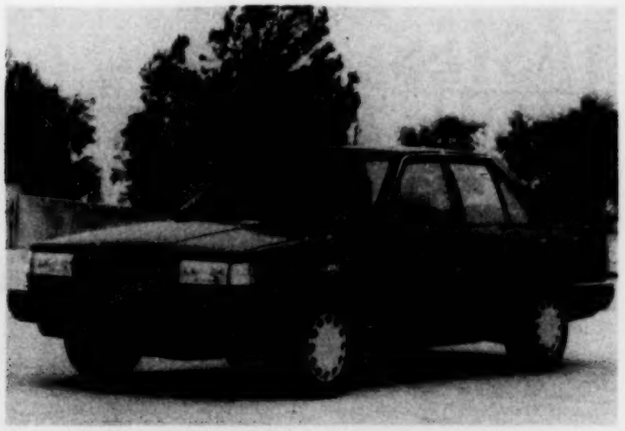
Smith said the twin-plug 2.3-liter Mustang "felt like a V-6, (and) dealers have felt that the Tempo needed a six-cylinder engine."

The Ford National Dealer Council also viewed the redesigned 1992 F-series pickup truck, which Smith said was met by widespread approval.

Some council members had expressed misgivings about the redesigned truck after seeing a photograph at this year's National Automobile Dealers Association convention in Las Vegas. Ford officials assured dealers at the convention that the photograph was not a good representation of the redesign.

Smith said a 1992 F-series truck was parked next to a Chevrolet C/K pickup at the Dearborn track so dealers could compare them.

"We feel that the (new) truck will be more than competitive with the C/K," Smith said.



Sales of the Sentra have been falling as the car nears the end of its product cycle, cutting into Nissan's profits in the United States. A new model is planned for 1991.

U.S. slow down limits Nissan profit growth

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Nissan Motor Co. reported record sales and record net income on an unconsolidated basis for the fiscal year ended March 31.

But low profits in the United States kept consolidated net income to a modest 1.2 percent increase.

The profit figure in the U.S. operation was "worse than mediocre" last year, close to break-even, said Executive Vice President Atsushi Muramatsu. "But we think last year was the bottom," he said.

Muramatsu would not give specific figures for the U.S. operation, but he said the low profit there affected the consolidated net profit for the fiscal year.

Unconsolidated net sales were up 11.9 percent to 4 trillion yen ($26.6 billion). Operating income was up 50.7 percent to 138 billion yen ($920 million), and net income rose 34.2 percent to 85 billion ($566.6 million).

The total consolidated net profit was 116 billion yen ($773.4 million), an increase of only 1.2 percent despite a 17.3 percent increase in sales to 5.645 trillion yen ($37.6 billion) and a 106.1 percent increase in operating income to 352 billion yen ($2.3 billion).

Muramatsu attributed the increase to strong Japanese sales and continued acceptance of Nissan's revised lineup.

Japanese sales were up 19.4 percent to 1.3 million units, but exports declined 9 percent to 987,614 — mostly because of decreased shipments to the United States. Nissan exported 354,000 units to the United States, a drop of 72,000 from the previous year.

Part of the export decline was due to an increase in production in the United States from 215,000 to 243,000. Muramatsu attributed some of the decline to the halt in Pathfinder shipments at the beginning of the year because of the customs dispute affecting Japanese utility vehicles.

Also, he said, the Sentra, Nissan's best-selling model, is at the end of its product cycle. With a new model coming out this year, sales should improve, he said.

Although net unconsolidated income set a record, profitability was affected by the high cost of trying to step up production to meet demand. Labor costs rose 50 billion yen ($333 million), Muramatsu said, largely due to heavy overtime and hiring of 4,000 part-time workers.

Nissan will have a much smaller increase in labor costs this year. Since April, according to Muramatsu, Nissan has decided to regulate overtime.

Last year, he said, there was a constant rush to meet demand. This year, although there will be no specific limit on overtime, the company will not issue any sudden requests for overtime, regardless of demand. Work hours will become steadier, he said.

Although demand in Japan is still high, Nissan indicated the work force is tired, and there is a limit to pushing overtime.

MITI maintains car export limits

Isuzu, Daihatsu denied increases despite surplus by other makers

By Mary Ann Maskery
and Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTERS

Japan has decided to maintain its limits on car exports to the United States for another year, even though most Japanese automakers have been shipping fewer cars than their quotas permit.

The decision from the Ministry of International Trade and Industry to keep the ceiling at 2.3 million units — and preserve each company's share of that total — will constrain small importers like Daihatsu America Inc. and American Isuzu Motors Inc. But for the larger Japanese importers, the restraints are becoming increasingly meaningless.

In most cases, new North American factories are more than offsetting export curbs set by the Japanese government.

Total exports of Japanese passenger cars to the United States for the last fiscal period, which ended March 31, dropped about 10 percent to 1,949,573 units, 350,000 below the ceiling.

In the 1989 calendar year, meanwhile, Japanese manufacturers added at least 330,000 units of car production capacity in North America and built more than one million vehicles.

Isuzu and Mazda Motor of America Inc. absorbed their quota in the fiscal year that ended March 31. But most companies were below quota.

E.F. "Fritz" Kern, who takes over as senior vice president and general manager of American Isuzu next week, said the company was disappointed by MITI's decision. But he said it was "understandable," given the trade tensions between the United States and Japan.

JAPANESE EXPORT ALLOCATIONS

	1989* shipments	'90 and '91 quotas**
Toyota	511,418	610,000
Nissan	354,107	532,000
Honda	409,500	423,000
Mazda	226,118	226,000
Mitsubishi	182,084	193,500
Isuzu	124,210	127,000
Fuji (Subaru)	95,920	107,000
Suzuki	54,192	64,500
Daihatsu	12,026	17,000
Totals	1,949,573	2,300,000

*Years begin April 1 and end March 31.
**Estimates
Source: Automotive News research; Japanese automakers

> "If MITI had redistributed the quota and the allocations from companies that did not meet their quotas, they stood the danger of sending out a message that there was an increase in the quota."
>
> **E.F. "Fritz" Kern**
> American Isuzu Motors Inc.

"If MITI had redistributed the quota and the allocations from companies that did not meet their quotas, they stood the danger of sending out a message that there was an increase in the quota," Kern said.

Isuzu is limited to 126,800 imports, but 70,000 of those cars are destined to go to General Motors as the Geo Storm.

At Daihatsu America Inc., Executive Vice President C.R. Brown blames the system for Daihatsu's limited sales in the United States. He believes a North American factory may be required to alleviate the problem, but he says he doesn't have enough product to build a dealer body that could absorb production from a new plant.

But even Mitsubishi Motor Sales of America Inc., which is enjoying a sales surge this year, isn't worried about a shortage of product.

"It really has no effect on us," said Dick Recchia, executive vice president.

He noted that production from the Diamond-Star Motors Corp. plant in Illinois is increasing, and Chrysler Corp. has announced it will take 50,000 fewer cars from Mitsubishi's import allocation.

American Honda Motor Co. Inc. now has the ability to produce 610,000 cars annually in the United States.

In combination with MITI's reported 1990 allotment of 423,000 cars, American Honda could theoretically deliver to its U.S. dealers this year about 250,000 more cars than they sold in 1989.

Toyota, another Japanese company that has been increasing sales and adding North American capacity, has about 290,000 units of leeway. Mazda also has distanced itself from the quotas with new North American assembly capacity.

Automotive News Staff Reporters Kristine Stiven Breese and Diana T. Kurylko contributed to this report.

Toyota contests $1.3 million award to dealers

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Toyota Motor Sales U.S.A. Inc. has asked a federal judge to set aside a $1.3 million jury award to a pair of former Rhode Island dealers who accused the company of fraudulently shorting their dealership on cars.

Stuart Forer and Thomas Goddard, former owners of Mirando Toyota Inc. in Cranston, R.I., filed the lawsuit in 1984 in U.S. District Court for Rhode Island.

They charged Toyota with violating the Rhode Island Dealer Act, using a vehicle allocation system that breaches the dealer agreement and failing to deliver cars promised to them for renovating their dealership.

But a jury last month dismissed accusations that Toyota violated the dealer act and its dealer agreement. The jury found the company guilty of only the lesser charge of reneging on a promise to provide extra cars if the dealers renovated their facility. The jury awarded the dealers $1.3 million.

James Brandenburg, attorney for the dealership, said problems between the dealers and Toyota first arose in the early 1980s.

Forer and Goddard sold the dealership in 1989.

Toyota officials say they are delighted with the outcome of the lawsuit because it shows the company complied with state laws.

Meanwhile, Brandenburg of Brandenburg, Kaveney & Lownsdale, based in St. Louis, has filed motions asking for a new trial on the first two charges and an increase in the jury award or a new trial on the charge of reneging on the promise of more vehicles.

BEST AVAILABLE COPY

TWO IN ONE: *Cost-conscious aftermarket groups merge shows into giant Vegas event*

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

Three trade associations have united to sponsor Automotive Aftermarket Industry Week, an annual, all-inclusive, one-stop exposition for the entire automotive aftermarket.

Sponsored by the Automotive Service Industry Association, the Motor and Equipment Manufacturers Association and the Specialty Equipment Market Association, the trade show will start in 1992 and will provide the umbrella event for the largest annual U.S. exhibit of aftermarket products, according to the associations.

Responding to industry preference and participation, the associations said the SEMA show and the Big I Show, co-sponsored by the ASIA and the MEMA, will be held side-by-side each November in two Las Vegas facilities.

The SEMA event will be held in the Las Vegas Convention Center, which encompasses 1.1 million square feet of space. The Big I Show will be conducted in the Sands Expo and Convention Center, which will contain one million square feet of exhibit space when completed in June 1993.

John Riess, past chairman of MEMA and chairman of the Big I Show, said representatives from the three organizations will provide policy direction.

"This super event is projected to draw more than 2,000 exhibiting companies, 25,000 industry buyers and 60,000 total attendees," said Riess, who is group vice president of marketing for Gates Rubber Co. in Denver.

Last year's SEMA show attracted 1,142 exhibitors and approximately 28,000 attendees.

This year's Big I Show, held in conjunction with the Pacific Auto Show in Las Vegas, had 689 exhibitors and 30,123 attendees, including buyers.

Although ASIA is severing its relationship with the Pacific Auto Show under the new arrangements, Dale Nelson, executive manager and chief administrative officer for Pacific Auto Show, said the group will hold a show Feb. 5-8, 1991 in Anaheim, Calif.

Riess said there will be many business and social events along with the exhibitions, some conducted by individual sponsors and others by the three associations.

The Big I and SEMA shows for this year and 1991 will be held as planned, he says.

In addition to the new show in Las Vegas, Riess said the associations' eastern regional shows will be combined into an annual side-by-side event. It will be held east of the Mississippi River, beginning in 1992. The show will alternate among sites in Chicago, Atlanta, Atlantic City, N.J., and other possible locations.

Michael Warn, chairman of SEMA and president and chief executive officer of Warn Industries of Milwaukie, Ore., said principals of the three groups have been analyzing the possibility of concurrent shows for over a year. The intent is to reduce costs by creating fewer individual shows.

Gene Gardner, chairman of ASIA and director of planning, quality and productivity for E.I. DuPont Co. of Wilmington, Del., said it is gratifying to know that "when the chips are down, we can pool our resources and address common challenges to improve the profitability and viability of manufacturers, distributors and end-users alike."

Another major trade show sponsor, the Automotive Parts and Accessories Association, claims to have commited in 1987 to exploring the possibility of holding a side-by-side show with other groups.

But it was not invited to participate in the talks that resulted in the super-show concept.

Julian Morris, president of APAA, said its 1989 show attracted 920 exhibitors and 25,970 total attendees, including buyers.

Service Technician Ronald Biatowas utilizes multi-lingual tools in the diagnosis of high-tech Saab cars.

NO GUESSWORK

Saab 'smart' tool aids in fault diagnosis

ORANGE, Conn. — Technicians at Saab-Scania of America's 363 dealerships are using a hand-held tool that enables them to communicate in one of four languages with the electronic systems built into Saab 9000 and 900 models.

Developed by Saab-Scania AB of Linkoping, Sweden, the multilingual, electronic device, called the Intelligent Saab Tester, can display information in English, French, Spanish and Italian. Future models will be programmed to display other languages.

According to John Libbos, product evaluation specialist for Saab-Scania of America, the tool enables technicians to scan and retrieve fault codes from compatible microprocessor-based vehicle systems.

The fault code is displayed on the tool and usually refers to a diagnostic troubleshooting chart, Libbos said. In some cases, the display gives instructions on how to correct the fault.

"The resulting benefits are easy and reliable fault tracing, simplified location of intermittent faults, faster service and increased customer satisfaction," Libbos said.

The tool was designed primarily for diagnosing faults in electronic systems that incorporate self-diagnosis functions, such as Saab's patented direct-ignition system. It also communicates with the vehicle's fuel-injection system, automatic climate control, automatic performance control and the electronic display unit.

Saab developed the tester to allow expanded capabilities in the future, Libbos said. For example, by using an interface cable, the unit can be connected to a personal computer or printer. Then, data collected by the diagnostic tool can be compared with reference values or can be used to compile statistics and other followup tasks.

Service volume rises again

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

The rate of growth of new-car dealers' service and parts business in April topped the March increase by 3.9 percentage points, according to the Automotive News Service Index.

April's service and parts volume amounted to 110.1 percent of the business recorded by dealers in the same month the year before. The March increase over the same month of 1989 amounted to 6.2 percent.

April was the fourth consecutive month to show a gain over the year-earlier service and parts volume. It also marked the third consecutive month that all five indicators used in the Service Index showed increases.

The No 1 indicator in April was sales of all parts and accessories, which topped the year-earlier volume by 11.8 percent.

The runner-up was shop parts sales for customer-paid and warranty repairs, up 11.0 percent, followed by total labor sales (customer paid and warranty), which were up 10.4 percent.

SERVICE INDEX
110.1★

	April '90 vs. April '89	Jan.-April '90 vs. Jan.-April '89
Gross Profit on All Labor and P&A Sales	+ 5.7%	+ 7.8%
Repair Orders Written	+ 4.8%	+ 1.4%
Total Labor Sales (Customer & Warranty)	+10.4%	+ 9.2%
Shop Parts Sales (Customer & Warranty)	+11.0%	+ 8.3%
Sales of All P&A	+11.8%	+10.6%

★ Survey by Automotive News shows that dealers' service and parts business in April 1990 was 110.1 percent of business in April 1989. Service business in the first 4 months of 1990 was 110.5 percent of business in the corresponding period in 1989.

Gross profit on all labor, parts and accessory sales — the most important indicator from the dealers' viewpoint — was 5.7 percent above last year's figure, while repair orders written were 4.8 percent over the number written in the same month a year earlier.

Figures used in the Service Index are averages compiled from reports on shop operations from a cross section of the nation's new-car dealerships.

Service and parts volume for the first four months of 1990 amounted to 110.5 percent of the business done in the comparable period a year ago. All indicators used in the compilation also were up from the corresponding 1989 period.

Year-to-date indicators lined up this way: Sales of all parts and accessories, up 10.6 percent; total labor sales, up 9.2 percent; shop parts sales, up 8.3 percent; gross profit, up 7.8 percent; and repair orders written, up 1.4 percent.

Costs are top fleet concern

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

NORTHBROOK, Ill. — Costs are the prevailing concern for corporate automotive fleet managers, according to a survey by *Runzheimer Reports on Fleet Management*, an industry newsletter.

Maintenance and repairs costs, cited by 31 percent of the 250 respondents, is the "most difficult problem" they face day-to-day.

General cost control was mentioned by 10 percent. Another 10 percent cited getting cars in for scheduled service and preventing driver abuse of vehicles.

Managers' visions of the future echo their current problems, the survey found. Nearly one-third (32 percent) indicated rising costs will be their greatest future concern.

Increased government regulation of fleets was the top concern of 11 percent, while 10 percent rated alternative fuel requirements first.

SERVICE BRIEFS

Dealer of the year

BRIDGEPORT, N.J. — Mitsubishi Fuso Truck of America Inc. selected Marano Truck Sales and Service of Philadelphia as its 1989 National Parts Dealer of the Year.

According to Bill Walter, director of parts operations for Mitsubishi Truck, Marano Truck received the award because it "demonstrated professionalism and excellence in the performance of its parts department."

Seat-belt retrofits

FLINT, Mich. — General Motors' Service Parts Operations has prepared an illustrated brochure that is a step-by-step guide to retrofitting older-model GM cars and trucks with rear-seat lap-shoulder belts.

The brochure is entitled "Installing Rear Seat Lap-Shoulder Belts." GM said it is providing the publication and kits priced below cost to encourage public use of the belts, whether they are installed by new-car dealers, independents or do-it-yourselfers.

The kits are $99 and include belts for the two rear outboard seating posisitons. The kits can be purchased from GM dealers, and the brochures can be obtained by writing to GM Service Parts Operations, Public Relations, 6060 W. Bristol Rd., Flint, MI 48554.

Porsche donates parts

RENO, Nev. — Porsche Cars North America Inc. has donated $170,000 worth of automotive equipment to the Washoe County School District in Nevada for use in an advanced automotive class for high school students.

The donation includes 16 engines, six transmissions, tools, assorted components and service manuals for all models, according to Larry Morris, vice president of service and parts for Porsche.

Porsche also will train school district instructors who, in turn, can teach students, Morris said.

Volvo aids independents

ROCKLEIGH, N.J. — Volvo North America Corp. has begun an effort to improve service and parts distribution to independent service facilities.

The program, to be tested by Volvo's service operations in dealerships in its metropolitan New York City region, is designed to create a closer independent-dealership relationship and to provide independents with better Volvo wholesale parts service.

A Dealer Wholesale Advisory Group of parts managers has been formed to work with Volvo on developing ways to improve service to independents.

Selected for their success in wholesaling Volvo parts, members are expected to evaluate pending strategies for the program. They include: Dick Johnson of Don Beyer Volvo, Falls Church, Va.; Will Judd of Ravenna Volvo, Seattle; Roger Martin of Turner Volvo, Sacramento, Calif.; Jim Nenning of Star Volvo, Nanuet, N.Y.; Tim Pierce of Warren Henry Volvo, Miami; Al Sanchez of Mission Viejo Volvo, Mission Viejo, Calif. and Roger Stolle of Brentwood Volvo, St. Louis.

Toyota picks school

ST. LOUIS. — Toyota Motor Sales U.S.A. has started a technician training program at Ranken Technical College here.

The company will provide a pickup truck, two cars, manuals, teaching equipment and auto components for the program, which will educate 44 students annually.

The program has been duplicated by Toyota at 60 other community colleges across the country.

East Bloc, Asia to propel new-car registrations in '90s

Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Worldwide new-car registrations will remain flat in 1990 as declining markets in North America and Western Europe balance increases elsewhere, according to a forecast by DRI/McGraw-Hill's European branch.

The report anticipates a mere 0.1 percent sales increase in 1990 to 35,438,000 units compared with a 3 percent rise to 35,386,000 in 1989 and a 6 percent jump to 34,426,000 in 1988.

But DRI-Europe expects renewed global momentum that will push the total market to 38.6 million cars by 1994, a 16 percent increase over 1987.

The London-based research group also predicts that from 1990 to 1995, new registrations in Eastern European countries will increase nearly 30 percent to 2.94 million units and that production will grow 34 percent to 3.28 million.

"Despite the unsettled state of the U.S. market, the outlook for the rest of the world is mostly good," the report said. "As such, the global demand for passenger cars is still not envisaged to turn down."

DRI predicts the U.S. and Canadian markets combined will fall slightly from 10.86 million units in 1989 to 10.75 million this year. In the United States, the outlook is for stable consumer confidence, but a drop in real disposable income growth in the first half of the new decade. When combined with increasing loan maturities, extended warranties and improved vehicle quality, the effect will be reduced replacement demand, according to DRI.

"As a result, the U.S. is set for a tough time ahead, and after a further small fall in 1990, it is projected to hover below 10 million units until 1994," said DRI.

In Western Europe, the group expects moderate growth not exceeding 3 percent annually until the 14 million plateau is reached in 1994. DRI predicts a slight downturn in Western European sales this year to 13.35 million units compared to 13.42 million last year. But it says most of Europe's key markets will continue to expand in 1990. The overall slippage is attributed to a drop in the British and Spanish markets this year.

West German registrations are expected to reach 2.95 million units in 1990, eclipsing the 1987 record, while France and Italy each surge above 2.3 million units to set new national marks this year.

DRI views the Asia-Pacific rim as a major growth area during the next five years, with Japanese sales rising from 4.4 million last year to 4.9 million in 1994.

In 1990, DRI expects new-car registrations in Eastern Europe to increase to 2,316,000 from 2,276,000 last year. Production will rise to 2,488,000 from 2,455,000 in 1989.

DRI predicts that 35 percent of the capacity in Eastern Europe in 1995 will be new, including 635,000 units replacing existing capacity and 500,000 units of new capacity. DRI foresees Eastern European exports rising from 179,000 in 1989 to 330,000 in 1995, an increase of 84 percent.

The largest growth will be in the Soviet Union, which accounts for two-thirds of the East Bloc population.

NEW-CAR REGISTRATIONS AND PRODUCTION FORECASTS (x 000)

	1987	1988	1989	1990	1994
Registrations					
Western Europe	12,316	12,905	13,424	13,353	14,140
West Germany	2,916	2,808	2,832	2,946	2,987
United Kingdom	2,014	2,216	2,301	2,072	2,270
France	2,105	2,217	2,274	2,367	2,449
Italy	1,977	2,184	2,362	2,339	2,292
Spain	861	991	1,136	1,091	1,317
Eastern Bloc	2,257	2,197	2,276	2,316	2,595
North America	11,289	11,646	10,855	10,751	11,203
Japan	3,275	3,717	4,404	4,540	4,903
Worldwide total	32,599	34,426	35,386	35,438	38,640
Production					
Western Europe	12,518	13,032	13,749	13,597	14,454
West Germany	4,374	4,346	4,564	4,538	4,703
United Kingdom	1,143	1,227	1,299	1,282	1,583
France	3,052	3,224	3,409	3,360	3,521
Italy	1,713	1,884	2,013	2,202	1,922
Spain	1,403	1,498	1,639	1,543	1,759
Eastern Bloc	2,427	2,406	2,455	2,488	2,880
North America	7,957	8,145	7,835	7,759	7,935
Japan	7,891	8,198	9,052	8,902	9,099

SOURCE: DRI-Europe

Daihatsu weary of Poland talks

TOKYO — Daihatsu Motor Co. acknowledges that its plans for a joint venture in Poland have stalled.

The company said it did not stop negotiations, but after months of no response from Poland, a spokesman said, "We are tired."

Daihatsu and a consortium of Japanese groups have been holding on-again, off-again talks with the Polish national manufacturer Fabryka Samochodow Osbowych.

Talks on a large scale joint venture were on at the end of last year. The original target was 120,000 cars a year with an estimated price tag on the project of 100 billion yen ($658 million).

In January, when a feasibility study was still months away, Daihatsu proposed a modest, short term beginning of building 5,000 to 6,000 units a year with all parts shipped from Japan.

Daihatsu said there is still no response from Poland, and that no one in the government seems to have any responsibility for coming up with a response.

East Germans plan first auto show

LEIPZIG, East Germany — The German Democratic Republic will stage its first international auto show this summer.

The show, called Autovision, will be held here June 23-July 1.

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Chrysler alters rebates and drops guarantees

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. announced a new buyer incentive program that started June 1. It discontinued its guaranteed rebate program last week, though buyers who qualified are still eligible for extra cash if payments on their cars rise.

The new program includes the following payments on 1989 and 1990 vehicles: $750 on Chrysler LeBaron, Plymouth Acclaim and Dodge Spirit sedans and Plymouth Sundance and Dodge Shadow through Aug. 31. The rebate on 1989 and 1990 Jeep Cherokee and Wagoneer Limited is $1,000 through Sept. 30.

Other Chrysler buyer incentives expire July 31 and apply to 1989 and 1990 models unless otherwise noted:

- $2,500: Dodge Raider.
- $2,000: Chrysler Conquest; 1989 LeBaron coupe; Eagle Premier Limited; Dodge Ramcharger; 1989 Dakota (except S-model); and D/W series pickups (except diesel and club cab).
- $1,500: Eagle Premier ES and 1989 Summit, Dodge Monaco ES; 1989 Dodge and Plymouth Colt and Colt Vista; 1989 Jeep Comanche (except 2wd short bed); 1990 Dakota (except S and Club Cab) and Dodge D/W club cab.
- $1,000: Chrysler 1990 LeBaron coupe; Imperial, New Yorker, Salon, Landau and Fifth Avenue; Dodge Dynasty, Monaco LE, Daytona ES Turbo and Shelby; D/W diesel pickup, Dakota S model and Club Cab, Ram van conversions, 1989 Ram 50 4wd; 1990 Dodge and Plymouth Colt except base three-door and wagon); Eagle Premier LX; 1990 Summit; all 1990 Jeep Comanche models and 1989 Comanche 2wd short bed; Cherokee, Wagoneer and Grand Wagoneer.
- $750: Plymouth Horizon and Laser; Dodge Omni, Daytona base and ES model; 1990 Colt Vista; 1989 Dodge Ram 50 2wd; Eagle Talon.
- $500: Jeep Wrangler, Dodge Ram Van and Wagon.

In lieu of cash, customers may choose finance rates that range from 2.9 percent to 10.9 percent, depending on the contract length.

Chrysler also is paying $750 factory-to-dealer incentives on Dodge Shadow and Plymouth Sundance.

Cadillac extended its customer rebates of $1,500 to $2,000 until June 30. BMW, which offered special finance rates on 325i, 325is, 325ix and M3 cars, allowed their program to expire May 31.

INCENTIVE WATCH

DEALER INCENTIVES

	Rebate	Expiration Date
Chrysler Corp. (1990 models)		
Grand Caravan, Grand Voyager, Town & Country	$500	July 17
Dodge Shadow, Plymouth Sundance	$750	Aug. 31
Ford Motor Co. (1990 models)		
Taurus SHO	$1,000	July 9
Tempo	$250	July 9
Grand Marquis	$1,000	July 9
Mark VII	$1,000	July 9
General Motors (1990 models)		
Buick Estate Wagon	$1,000	Aug. 2
Corvette	$2,000-$4,000 based on sales	July 9
Chevrolet Geo, Celebrity	$500-$1,000	July 9
Geo Tracker	$1,000	July 9
Oldsmobile Cutlass Supreme, 88, Custom Cruiser, 98, Silhouette	$750-$1,250, based on sales	Aug. 2
Pontiac Firebird	$500	Aug. 2
Audi (1990 models)*	$2,000-$3,000	June 30
*-Dealer has option of foregoing cash incentive and offering out-rate financing to customer.		
Honda (1990 models)		
Civic	$300-$600, quota	June 30
CRX; Prelude	$500	June 30
Hyundai Excel (1989-90)	$200, quota	June 5
Isuzu (1990 models)		
Pickups*	$800-$1,300 based on number sold	June 30
Trooper	$900-$1,400 based on number sold	June 30
*$200 extra on 4wd models		
Mitsubishi (1989-1990 models)		
Cars, trucks*	$500-$2,000 based on number sold	June 30
*Payments vary by regions.		
Nissan (1990 models)		
Sentra, Stanza	$300-$1,500	Aug. 2
Trucks	$1,000	Aug. 2
Axxess	$1,000-$1,500	Aug. 2
Subaru (1990 models)		
Justy ECVT	$500	July 3
Loyale	$400	July 3
Legacy	$400-$1,200, based on sales	July 3
Suzuki (1990 models)		
Swift	$400	June 4
Sidekick	$700-$1,500	June 4
Toyota (1989-1990 models)		
Tercel, Corolla, Camry	$250-$1,200, quota	June 4
Trucks	$200-$1,200, quota	June 4

INCENTIVE WATCH

CUSTOMER INCENTIVES

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Corp. (1990 models)						
Chrysler	$750-$2,000	2.9	7.9	7.9	10.9	July 31*
Dodge cars	$750-$1,500	2.9	7.9	7.9	10.9	July 31*
Dodge trucks	$500-$2,500	2.9	7.9	7.9	10.9	July 31
Eagle	$750-$2,000	2.9	7.9	7.9	10.9	July 31
Jeep	$500-$1,000	2.9	7.9	7.9	10.9	July 31*
Plymouth	$750-$1,500	2.9	7.9	7.9	10.9	July 31*
*Expiration date is Aug. 31 on Chrysler LeBaron, Dodge Shadow and Spirit and Plymouth Sundance and Acclaim. Expiration date is Sept. 30 on Jeep cherokee Limited and Wagoneer Limited.						
Ford Motor Co. (1988-89 models)						
Merkur	$3,000-$4,000					July 9
Ford Motor Co. (1989-90 models)						
Ford cars*	$700-$1,500	7.9	7.9	7.9	10.9	July 9
Ford trucks	$500-$1,500	7.9	7.9	7.9	10.9	July 9
Mercury*	$700-$1,500	7.9	7.9	7.9	10.9	July 9
Continental, Mark VII	$1,500-$2,000					July 9
*Escort, Probe and Mustang, buyers can choose $1,000 rebate with no finance incentive; $700-$750 rebate with out-rate financing; or no rebate and 2.9/2.9/2.9/4.9 financing. On Tracer, buyer can choose $1,500 rebate with no finance incentive; or $1,000 rebate with out-rate financing.						
General Motors (1990 models)						
Buick	$500-$1,250*	7.9	7.9	7.9	10.9	Aug. 2
Riviera	$2,000	7.9	7.9	7.9	10.9	Aug. 2
Cadillac	$1,500-$2,000					June 30
Chevrolet cars	$700-$1,400	7.9	7.9	7.9	10.9	July 9
Chevrolet trucks	$500-$1,500	7.9	7.9	7.9	10.9	July 9
Olds Toronado	$2,500	7.9	7.9	7.9	10.9	Aug. 2
Cutlass Ciera	$1,000	7.9	7.9	7.9	10.9	Aug. 2
Pontiac	$750-$2,000**	6.9	6.9	6.9	10.9	Aug. 2
*Based on option package selected. **Dealers contribute $1,000 on Grand Prix in some areas.						
General Motors (1991 models)						
Buick	$500-$1,250*		7.9	7.9	7.9	Aug. 2
Chevrolet cars	$750	7.9	7.9	7.9	10.9	June 11
Chevrolet trucks	$1,000	7.9	7.9	7.9	10.9	July 9
*Based on option package selected.						
Audi (1990 models)*		4.9	4.9	6.9	9.9	June 30
*—Finance incentive takes effect only if dealer foregoes dealer cash incentive.						
Hyundai (1989-90)	$500-$1,700, based on sticker					June 5
Isuzu (1989-90)	$1,000-$1,200*					June 30
*If dealer foregoes dealer incentive						
Mazda (1990 models)						
Cars	$750-$1,000					June 4
Trucks	$800-$1,000					July 3
Mitsubishi (1989-1990 models)						
Cars, trucks*	$500-$2,000					June 30
*Payments vary by regions.						
Nissan (1990 models)						
Sentra, base pickup	$300-$1,000					Aug. 2
Peugeot (1989-90)	$1,000-$3,000					None
Sterling (1988 models)	$5,000					June 30

GB still needs car project help

By Luca Ciferri
STAFF CORRESPONDENT

TURIN, Italy- Gianni Bulgari, a member of an old and wealthy family of jewelers, has started his own car company. The car would be a sporty-looking luxury vehicle with two doors and five seats.

Bulgari, who has spent $3 million on the project, is now looking for a partner to produce the car. He estimates it will require an investment of $40 million to $80 million in development and tooling. If one can be found, the first units could appear around 1993 or 1994.

GB, the company name and the initials of the promoter, is looking mainly at the European market, although the United States and Japan are being considered.

GB introduced itself with ads in *Automotive News* (May 28) and *Financial Times*. The company describes its creation as "a compact personal luxury vehicle with sporting character and high versatility." It adds, "A key feature . . . is a new cabin offering significantly improved passenger well-being within a space-efficient package." It apparently has three front seats and two rear.

The car's layout includes an as-yet unspecified front-mounted, transverse engine and four-wheel drive. The engine will likely be under 2.0 liters. With multi-valve head, fuel injection and turbo, it will produce up to 200 horsepower.

GB originally planned to produce 50 units a day, though estimates have now been reduced to 25 a day, or 5,000 cars a year.

Bulgari, a collector of Ferrari technical drawings, has been a consultant to Fiat Auto S.p.A., particularly on Fiat Uno and the Alfa Romeo 164's launch in 1987.

He sold his share in the family business three years ago and started his own car company.

The styling model, which was designed by Bulgari, was built in the Model Systems studio in Moncalieri, Italy, by Emanuele Nicosia, formerly of Pininfarina, and Graziano Pagliasso, late of Ital Design.

Lotus Engineering Ltd., Group Lotus' engineering contract division, is involved in body and mechanical engineering, as well as the first running prototype's construction, expected in August.

EPIC srl, headed by Enzo Prearo, formerly of Carrozzeria Bertone S.p.A., is responsible for production engineering. Ludvigsen Associates Ltd. is helping with strategic and marketing aspects.

The prototype is powered by a 2.0-liter 16-valve Opel Vectra engine — more because General Motors is the parent of both Opel and Lotus than because it will be the final powertrain choice.

OBITUARIES

George E. McLaughlin Sr.

NEW MILFORD, Conn. — George E. McLaughlin Sr., a Ford-Mercury dealer here since 1973, died April 11. He was 66.

John W. Howe

WINK, Texas — John W. Howe, a former technician for Chrysler Corp., died May 2. He was 80.

William F. Dalton

SWANTON, Vt. — William F. Dalton, 87, owner of Dalton Auto Parts from 1948 to 1975, died May 2. Dalton had been in the automo-

Holiday trims U.S. truck, car production

By Greg Bowens
SPECIAL CORRESPONDENT

U.S. automakers' scheduled production dipped in the wake of a holiday week. Automakers slated production of 121,895 units last week, 8.08 percent below the previous week and flat with the year-ago week. The year-ago week also was a holiday week.

So far, 2,608,618 cars have been assembled this calendar year, 20.61 percent below the 3,285,757 completed last year at this point.

Scheduled truck assembly totaled 77,933 units, 10.77 percent below the previous week and 6.92 percent above the year-ago week.

Year-to-date, 1,722,133 trucks have been assembled, 11.97 percent below last year's 1,956,246 trucks produced at this time.

Last week's targeted build was shared as follows: General Motors, 46.76 percent; Ford Motor Co., 22.24 percent; Chrysler Corp., 13.29 percent; Honda of America Manufacturing Inc., 6.23 percent; New United Motor Manufacturing Inc., 3.45 percent; Toyota Motor Manufacturing U.S.A. Inc., 2.90 percent; Diamond Star Motors Corp., 1.95 percent; Mazda Motor Manufacturing (USA) Corp., 1.84 percent; Nissan Motor Manufacturing Corp. U.S.A, 1.03 percent; and Subaru-Isuzu Automotive Inc., 0.31 percent.

Ford and GM plants scheduled overtime to make up for the lost Monday. Ford scheduled daily overtime in its Wixom, Mich., and Wayne, Mich., facilities. Saturday overtime was scheduled for Kansas City, Mo.; Louisville, Ky.; St. Paul, Minn.; and St. Louis plants. The Edison, N.J., plant is down for changeover until September. Chrysler reported no overtime.

This week Chrysler's Belvidere, Ill.; Sterling Heights, Mich.; and St. Louis II plants scheduled two nine-hour daily shifts. Saturday overtime has been scheduled for Belvidere; Newark, N.J.; Warren, Mich.; and St. Louis.

GM scheduled Saturday overtime at Detroit-Hamtramck; Lordstown, Ohio; and Lake Orion, Mich. Both Lansing, Mich., plants operated on Saturday overtime as well. GMC Flint, Mich., assembly scheduled one overtime shift, and Moraine, Ohio, operated two overtime shifts Saturday.

Canada output back to normal

Canadian automakers scheduled 25,190 cars last week, 62.53 percent up from the previous week and 9.76 percent more than the year-ago week.

The large production increase was due to assembly plants getting back to full operation. A protest by Canadian truckers cut parts shipments the week of May 22.

Year-to-date, car output totaled 441,282, up 0.86 percent.

Truck production rose 23.19 percent from the previous week and 6.88 percent from the year-ago week with scheduled production at 20,651 units. Year-to-date truck production totalled 397,472 units, down 10.17 percent compared with

U.S. CAR	Week Ended June 2, 1990	Week Ended June 3, 1989	Week Ended May 26, 1990	May Est.	Jan. 1 to June 2, 1990	Jan. 1 to June 3, 1989
Horizon	0	722	0	0	4,327	7,854
Sundance	1,400	2,091	1,428	8,051	32,186	52,093
Acclaim	2,800	3,253	2,712	13,550	39,891	54,070
Total Plymouth	4,200	6,066	4,140	21,601	76,404	114,017
LeBaron A	300	0	331	1,645	9,410	0
LeBaron J	1,100	2,223	1,438	6,318	18,556	52,707
LeBaron GTS	0	0	0	0	0	2,946
N. Yorker C-Class	2,100	1,467	1,512	8,245	16,996	49,273
Fifth Avenue	200	0	760	3,494	12,649	0
Imperial	400	0	316	1,680	7,430	0
Total Chrysler	4,100	3,690	4,357	21,382	65,041	104,926
Omni	0	710	0	0	4,078	9,443
Daytona	700	1,479	962	4,168	13,401	44,865
Shadow	2,200	1,797	1,924	10,053	37,197	50,640
Dynasty	2,600	2,428	2,394	12,710	48,941	69,735
Lancer	0	0	0	0	0	1,528
Spirit	2,400	2,217	2,397	11,796	39,845	50,291
Total Dodge	7,900	8,631	7,677	38,727	143,462	226,502
CHRYSLER MOTORS	16,200	18,387	16,174	81,710	284,907	445,445
Escort	3,757	4,270	6,450	27,303	88,888	149,243
Mustang	2,964	3,316	3,276	16,059	61,970	100,887
Tempo	2,549	2,360	3,228	14,391	58,929	69,548
Taurus	7,073	6,257	4,585	28,709	157,608	173,482
Thunderbird	2,683	2,610	3,051	12,821	51,052	75,705
Total Ford Div.	19,026	18,813	20,590	99,283	418,447	568,865
Topaz	971	1,139	1,080	5,053	22,259	31,256
Cougar	1,817	1,748	1,835	6,708	32,290	64,044
Sable	1,317	1,990	669	7,171	45,609	56,612
Total Mercury	4,105	4,877	3,584	18,932	100,158	151,912
Continental	1,224	1,152	1,528	6,112	24,917	31,807
Mark VII	306	384	1	1,653	10,987	11,414
Town Car	2,448	2,304	3,061	15,264	71,645	58,667
Total Lincoln	3,978	3,840	4,590	23,029	107,549	101,888
Total L-M Div.	8,083	8,717	8,174	41,961	207,707	253,800
FORD MOTOR CO.	27,109	27,530	28,764	141,245	626,154	822,665
Skyhawk	0	0	0	0	0	6,857
Skylark/Somerset	1,906	1,146	1,889	9,490	38,465	25,514
Century	1,292	2,227	1,653	7,437	29,003	53,974
Riviera	518	186	516	2,528	10,246	10,597
Electra	913	1,693	442	1,696	14,312	37,787
LeSabre (fwd)	3,261	3,287	4,183	17,381	71,926	68,353
LeSabre (rwd)	248	85	285	1,274	3,600	3,587
Reatta	168	146	211	936	3,844	3,141
Total Buick	8,306	8,750	9,179	40,742	171,396	209,810
Eldorado	469	795	463	2,028	9,396	17,090
Seville	1,129	577	1,127	5,789	16,115	12,557
Brougham (rwd)	0	498	0	0	13,065	17,426
DeVille (fwd)	3,827	3,277	3,719	19,820	74,238	97,153
Allante	69	60	89	393	1,621	1,438
Total Cadillac	5,494	5,207	5,398	28,030	114,435	145,664
Cavalier	6,960	6,652	6,999	35,634	137,830	173,450
Camaro	1,612	2,243	1,972	8,814	26,963	55,153
Celebrity	0	1,682	0	0	0	59,676
Corsica/Beretta	4,819	7,031	6,048	27,169	120,562	185,554
Caprice	4,512	3,215	5,651	17,345	88,588	89,044
Corvette	448	447	551	2,472	10,292	11,577
Total Chevrolet	18,371	21,270	21,221	91,434	384,235	574,454
Calais	2,369	1,758	2,311	11,656	42,204	43,005
Cutlass Ciera	1,424	1,529	1,846	7,047	33,582	38,009
Cutlass Supreme	1,608	2,516	2,001	8,383	36,336	51,563
Toronado	236	246	239	1,156	7,995	4,506
88 (fwd)	2,472	2,186	2,589	12,947	43,149	73,002
88 (rwd)	0	180	0	0	2,295	3,620
98	1,373	883	1,426	5,938	24,730	37,717
Total Oldsmobile	9,482	9,300	10,422	47,127	190,291	251,422
Sunbird	3,625	2,510	3,707	18,283	64,476	68,069
Grand Am	5,220	3,878	5,042	22,707	84,688	110,808
Firebird	1,148	1,079	1,430	5,862	16,717	30,894
Grand Prix	2,520	3,188	3,125	13,461	47,043	69,649
Pontiac 6000	1,040	811	1,432	6,413	25,065	36,796
Bonneville	1,789	1,090	2,141	10,700	35,408	43,549
Safari/Parisienne	0	92	0	0	0	2,504
Total Pontiac	15,342	12,848	16,877	77,226	273,407	363,969
GENERAL MOTORS	56,995	57,175	63,097	294,560	1,133,764	1,545,219
DIAMOND-STAR	2,376	1,250	2,978	13,575	61,082	20,128
HONDA	7,600	5,996	8,947	40,087	188,129	187,564
Civic	2,040	2,054	2,723	12,104	52,585	56,586
Accord	5,560	3,942	6,224	27,983	136,544	110,978
MAZDA†	2,246	3,533	1,937	9,603	71,798	102,936
NISSAN	1,256	2,185	1,597	6,932	43,643	50,001
NUMMI	4,200	3,410	4,335	20,474	90,249	88,449
Corolla	2,000	1,328	1,949	9,467	45,845	35,089
Geo Prizm/Nova	2,200	2,084	2,388	11,007	44,804	51,380
SUBARU-ISUZU	372	0	369	1,960	11,088	0
TOYOTA	3,541	2,529	4,419	19,576	94,550	45,348
Total Cars, U.S.	121,895	121,985	132,617	621,458	2,608,618	3,285,757
Total Cars, Canada	25,190	22,950	15,499	104,645	441,282	437,534
U.S., Canada Cars	147,085	144,945	148,116	726,103	3,049,900	3,723,291
U.S., Canada Cars and Trucks	245,018	237,183	252,217	1,230,339	5,169,585	6,122,093

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes MX-6, 626, and Ford Probe.

CANADIAN CAR	Week Ended June 2, 1990	Week Ended June 3, 1989	Week Ended May 26, 1990	May Est.	Jan. 1 to June 2, 1990	Jan. 1 to June 3, 1989
Monaco	0	0	568	1,539	5,132	0
Premier	0	0	377	1,556	2,808	18,634
CHRYSLER MOTORS	0	0	945	3,095	7,940	18,634
Tempo	3,360	3,342	1,831	13,853	55,074	65,418
Topaz	1,440	1,449	806	5,926	20,376	27,967
Crown Victoria	2,675	2,645	1,563	11,255	53,083	58,836
Grand Marquis	2,125	2,572	1,330	11,190	48,876	64,668
FORD MOTOR CO.	9,600	10,008	5,530	42,224	177,409	216,889
Celebrity	1,173	990	542	3,596	11,559	7,848
Cutlass Ciera	2,387	2,596	1,153	7,289	35,102	75,337
Lumina	4,779	5,089	3,042	19,488	93,530	41,232
Regal	3,221	1,978	1,879	11,675	32,728	33,836
GENERAL MOTORS	11,560	10,653	6,616	42,048	172,919	158,253
HONDA	2,150	1,672	1,022	8,891	45,330	35,652
HYUNDAI	600	0	246	2,123	7,924	0
TOYOTA	1,100	437	996	5,472	25,909	4,323
VOLVO	180	180	144	792	3,851	3,783
Total Cars, Canada	25,190	22,950	15,499	104,645	441,282	437,534

U.S. TRUCK	Week Ended June 2, 1990	Week Ended June 3, 1989	Week Ended May 26, 1990	May Est.	Jan. 1 to June 2, 1990	Jan. 1 to June 3, 1989
Caravan	2,000	2,045	2,137	10,631	49,158	49,410
Dakota	1,600	2,365	1,612	8,119	32,536	50,408
Caravan C/V	100	132	95	561	3,085	3,997
Ram pickups	2,500	2,387	2,433	12,439	48,077	50,543
Total Dodge	6,200	6,929	6,277	31,751	132,856	154,358
Cherokee	3,200	4,616	3,942	17,897	72,120	103,267
Comanche	100	508	174	848	3,327	14,347
Grand Wagoneer	200	270	0	810	2,305	6,073
Wagoneer	100	98	102	482	1,714	4,006
Total Jeep	3,600	5,492	4,218	20,037	79,466	127,693
Voyager	2,000	1,887	1,941	9,938	47,003	46,939
Town & Country	60	185	51	245	1,523	608
Total C-P Div.	2,060	2,072	1,992	10,184	48,526	47,547
CHRYSLER MOTORS	11,860	14,493	12,487	61,971	260,848	329,598
Aerostar	4,700	3,910	4,669	23,202	87,556	108,779
Bronco	972	1,270	916	5,056	23,400	37,517
Bronco II	4,497	1,941	4,698	23,701	62,928	58,060
Econoline	3,791	4,204	4,324	21,604	85,318	109,503
Mediums/Heavies	1,001	1,046	1,305	5,646	22,964	30,100
Light trucks	9,346	9,251	9,866	47,261	198,908	245,688
Ranger	5,195	4,847	4,878	27,069	128,657	152,937
Total Ford Div.	29,502	26,469	30,656	153,539	609,731	740,584
FORD MOTOR CO.	29,502	26,469	30,656	153,539	609,731	740,584
Astro	2,220	2,556	2,362	12,744	50,438	75,319
Blazer	368	527	345	1,974	7,614	12,494
Lumina APV	1,024	0	2,261	9,561	42,579	0
Mediums/Heavies	286	0	355	1,365	4,114	1,312
P-Model	496	724	610	2,807	10,786	15,450
Pickups	5,821	6,267	7,355	31,993	151,128	176,843
S-10	4,175	2,486	4,993	22,370	100,662	120,303
S-10 Blazer	3,625	2,961	3,385	17,380	56,576	84,688
Sportsvan/Van	1,397	1,664	1,541	8,419	29,740	43,792
Suburban	1,317	1,505	1,513	6,997	29,274	34,831
Total Chevrolet	20,729	18,690	25,220	115,609	482,911	565,032
Jimmy	107	165	122	580	2,421	3,778
Mediums/Heavies	395	0	516	2,591	6,881	1,496
P-Model	64	110	94	346	1,357	2,032
Pickups	2,197	1,839	2,374	11,869	53,064	52,768
S-15	978	2,414	1,250	5,304	24,668	28,165
S-15 Jimmy	1,177	863	1,049	5,284	17,474	24,224
Safari	1,002	701	1,382	5,375	17,099	19,319
Suburban	729	565	523	3,724	13,368	13,981
Vandura/Rally Vans	571	458	845	2,420	10,316	11,918
Total GMC	7,220	7,115	8,455	37,473	146,608	157,881
Olds Silhouette	440	0	895	3,648	14,044	0
Pontiac Trans Sport	548	0	1,088	4,741	23,454	0
GENERAL MOTORS	28,937	25,805	35,658	161,471	667,017	722,713
NAVISTAR	1,312	1,282	1,664	7,363	31,216	38,549
NISSAN	2,584	1,978	3,078	14,005	65,873	55,572
SUBARU-ISUZU	288	0	345	1,598	10,858	0
AM GENERAL*	450	360	450	2,070	9,990	9,630
MISCELLANEOUS*	3,000	2,500	3,000	13,800	66,000	58,800
Total Trucks, U.S.	77,933	72,887	87,338	415,818	1,722,133	1,956,246

CANADIAN TRUCK	Week Ended June 2, 1990	Week Ended June 3, 1989	Week Ended May 26, 1990	May Est.	Jan. 1 to June 2, 1990	Jan. 1 to June 3, 1989
Caravan	3,324	2,501	3,651	15,021	70,591	66,780
Caravan C/V	288	287	328	1,373	5,767	5,507
Ram Wagon	1,566	530	1,538	4,726	12,770	13,273
Ram Van	738	1,371	715	5,487	25,155	34,174
Total Dodge	5,916	4,689	6,232	26,606	114,303	119,734
Voyager	2,532	2,241	2,780	11,512	57,378	58,821
Total Plymouth	2,532	2,241	2,780	11,512	57,378	58,821
Wrangler	1,500	1,512	1,290	6,939	34,485	36,939
Total Jeep	1,500	1,512	1,290	6,939	34,485	36,939
CHRYSLER MOTORS	9,948	8,442	10,282	45,058	198,146	215,495
FORD MTR. (lt. trks.)	3,848	3,431	2,400	14,848	63,382	75,589
Light trucks	3,481	3,719	1,839	13,900	74,646	68,772
Vans	1,410	1,454	785	5,181	20,734	29,583
Total Chevrolet	4,871	5,173	2,624	19,081	95,380	98,355
Light trucks	1,419	1,317	903	5,643	28,413	32,985
Vans	540	683	373	2,781	9,539	14,538
Total GMC	1,959	2,000	1,276	8,433	37,952	47,533
GENERAL MOTORS	6,830	7,173	3,900	27,514	133,332	145,888
NAVISTAR	225	275	171	998	4,692	5,469
Total Trks., Canada	20,651	19,321	18,793	88,457	397,472	442,486
U.S., Canada Trks.	98,584	92,208	106,131	504,275	2,119,605	2,398,732